Greyhound, Inc. Case Study

"This would be a 3rd straight win over [PeopleSoft] in their flagship area."

"Customer is getting squeezed in the depressed Travel industry. Money is tight. Only very aggressive proposals will move them off the dime."

"While Peoplesoft dropped off earlier, they are back with a vengeance. They have recent Executive penetration and some champions."

EXECUTIVE APPROVAL FORM

CUSTOMER NAME: Greyhound, Inc.

SECTION I - Approval Requests:
HQAPP Requests:

1. Request 80% discount for license and support for HR / Payroll deal. Currently showing customer 78%. (~$800,000 net license)
2. Request special language be added to agreement as shown below. Development including Ron Wohl has approved on separate email:

"Notwithstanding anything to the contrary in Oracle's Technical Support Policies, Oracle agrees that it will continue to provide technical support for 11i HRMS for a period of 4.5 years (worst case, we will position lower) from the Effective Date of this agreement or four years from implementation completion -- whichever comes first ; provided, however that Customer agrees to apply all maintenance releases for 11i HRMS which are issued by Oracle during that period, including all statutory maintenance releases and all maintenance releases that are pre-requisites for those statutory maintenance releases. In addition customer may be required to upgrade to new versions of underlying Oracle Technology products, e.g. Oracle 9i, and 9iAS, during this period."

3. OLSA Warranties: Change to: Programs will "substantially" operate as described to "materially".
4. OLSA Indemnification: Add the word "fully" before the word indemnify and add, "hold harmless, pay all fines, penalties, etc..."
5. Support cap for total of 3 years with yrs 4-5 at 4% increase.

TIER 1 Requests:

6. Customer Definition: 3 changes: 1.) Applies to parent corporation, Laidlaw, (Tier 2 in Canada) and its 2.) Majority owned without exhibit. Subs agree to be bound... (Tier 3); and 3.) minority owned subs with exhibit (not available yet, but will submit for approval) (Tier 1)
7. Price hold for products purchased and financials for 3 years at 70%.

TIER 3 Requests:

8. Specify that tech support will not materially decline during any year
9. Attach tech support policies to the agreement (Sales Rep approval)

Previously approved requests (include date of approval):
1. Original Approval done over 1 year ago.
2.

SECTION II – Deal Summary:

Deal Summary	
Programs	HR, options and Payroll
License Discount	80% (ebiz + 55 %)
Support Discount	same
Comp & Admin Discount	N/a
Phased Implementation for Comp & Admin?	N/a
Support Options/Holds	3 year flatline plus 2 yrs at 4%
Price Holds	3 yrs at 70%
List License	$ 3,945,000

List Support	$ 867,900
List Comp & Admin	
Net License	$789,000
Net Support	173,580
Net Comp & Admin	
Net Total Price	$62,580
Price List Used	Current

Customer History - Existing Price Holds	
Existing contractual discount (price hold)	None
Date of Price List for price hold	
When does price hold expire?	
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	
Name of Agreement if applicable	

SECTION III - Justification:

1. **Competition** – This has been a knock down drag out with Peoplesoft and Lawson. This deal was hot and heavy roughly 12 months ago but went dormant. While Peoplesoft dropped off earlier, they are back with a vengeance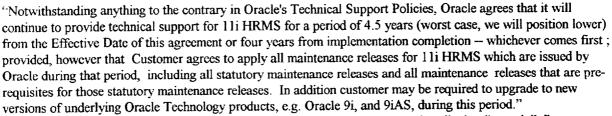. They have recent Executive penetration and some champions. Oracle holds a slight lead after a crafty sales plan. Peoplesoft is desperate for this business given recent Dallas based H/R losses at both Michael's, and Neiman Marcus (This quarter). This would be a 3rd straight win over Poeplesoft in their flagship area.

2. **Price Pressure – Competition** – Lawson threw a lowball bid out to the customer close to a year ago(estimated 3-400K in L), Peoplesoft has recently made the "Will not lose this deal on price" line on the customer. Our estimates have Peoplesoft in at 500K in L. (Our worst case is roughly 775K)

3. **Price Pressure – Travel Industry** – Customer is getting squeezed in the depressed Travel industry. Money is tight. Only very aggressive proposals will move them off the dime.

4. **Reasonable Discount – Modular H/R** – The standalone (Non-E-Biz Suite) H/R competitions have been fierce across the US. Discounts in the 75-80% are not uncommon in a very competitive market. Again, this is modular pricing and not the E-Biz Suite.

5. **Re-approval of Language** – The language approval requests for Oracle Development were previously approved one year ago This language was approved by Ron Wohl and legal in last year for inclusion into the deal and we will need it again. PeopleSoft has already agreed to this language (or something similar). Development has approved on separate emails for 4 year instead of 5 year commitment. Reasoning is that we are already 3 years into 11i and another 5 yrs would make this our longest release.

6. **Remaining Requests** – All additional request outlined in this approval were approved one year ago. The deeper discount is the only exception. (75% last year)

Recommendation: (*leave blank for HQAPP to fill out*)

Submitted By: *Richard Bedford 214.616.3448, Matt Mills, 972.672.3693*
Field RM name if submitted by iSD:

R: (*leave blank for HQAPP to fill out*)

C:

L:

A:

BP:

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PLEASE NOTE THAT HQAPP WILL NOT REVIEW ANYTHING BELOW AND NOTHING BELOW WAS CONSIDERED FOR THEIR APPROVAL. ONLY DETAILS IN THE REQUEST SECTION (SECTION I) ABOVE WERE CONSIDERED IN THE APPROVAL GRANTED.

SECTION V – Ordering Document Details

Instructions - Fill in all sections completely.

APPROVAL REQUIREMENTS - Refer to the Approval Matrix at http://esource.oraclecorp.com
PRICING REQUIREMENTS – Refer to Price List and Price List Supplement for minimums and prerequisites.
PRICING SPREADSHEET – Include a pricing spreadsheet showing all products, quantities, license types, pricing, and discounts. Indicate if discount for drafting contract differs from approved discount.
MIGRATIONS - If your deal contains a migration, you must submit a Migration Worksheet to the ELM (eBusiness License Migrations) team. Refer to http://nafo.us.oracle.com under the Contract Management tab and e-Business License Migrations header to download the spreadsheet and for additional information.

Note: All business approvals & quotes are valid through the quarter they were approved, unless a formal RFP or Tender requires a longer validity period.

General Information	
Contract requested by (insert date):	5/22/03
Opportunity I.D. (OSO Number):	1025632
Deal Structure (indicate Direct, Pass-Through, Sublicense, or Trial License):	Direct
Is this deal the result of a compliance issue that LMS has been involved in?	____Yes x No
Does deal contain new licenses with an *approved* non-supported license type (i.e. metric is not nor ever has been on Oracle's price list):	____Yes (specify non-supported license type and eBusiness license type used to determine conversion) x No
Quote Valid Through (insert date):	EOQ
Partner (insert name, if applicable)?	Margin or % of net license fees_____
VAD (insert name, if applicable)?	Margin or % of net license fees_____
MIGRATIONS OR UPDATES:	Yes x No
PREMIUM SERVICES:	Yes x No
INCIDENT PACKS:	Yes x No
INTERNATIONAL: Requires an International Notification Form to be forwarded to your manager, contract specialist, and NASINFO or OGEHINFO.	__x__Yes ____No
Payment Terms:	____Net 30 x Other (Specify)_OFD
Referenced Agreement:	__X__New OLSA ____Other (Specify)_____

      ORCL-EDOC-01186385

Customer and Administrative Information – all fields must be filled in	
Customer's EXACT Legal Name:	Greyhound, Inc.
Business Address:	350 N. St. Paul Street
City / State / Zip:	Dallas ,TX 75201
Customer Contract Admin:	Steve Reyna
Phone #:	21.849.8363
Fax #:	
E-mail ID:	sreyna@greyhound.com
Billing Contact:	Same
(Partner/VAD if Indirect):	
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
E-mail ID:	
Tax Status :	Exempt ___ (Need certificate for ship to state if not on Oracle's Tax Exemption Log)
	Non-Exempt x
Shipping Contact:	Same
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
E-mail ID:	
Technical Support Contact:	Same
Address:	
City / State / Zip:	
Phone #:	
Fax #:	
Email ID:	
Partner Name (Indirect):	
Address:	
City / State / Zip:	
Contact Admin:	
Phone #:	
Fax #:	
E-mail ID:	

Education (EPPC)

Education Prepaid Credit Amount:	$_60,000 150 days classroom for apps (customer will pay ½ and license will pay ½)
Education Discount:	__20___% (Ed group working approval separately)
Education Revenue:	$_60,000_____
Education Sales Rep:	
	Macrorie, Chris

PROCESSOR/NAMED USER PROGRAMS/COMPUTER PROGRAMS (REQUIRED INFORMATION)

Make and Operating System required for each program:
<u>Make:</u>   IBM
<u>OS:</u>   AIX
<u>PROGRAMS:</u>

Applications			
Will applications be modified:	_x_ Yes		___ No
Will users be accessing modified Apps from the web:	_x_ Yes		___ No
Have all prerequisites been included:	_x_ Yes		___ No
Will users use Fast Forward RPM:	___ Yes	_x_ No	
Will applications be hosted:	___ Yes	_x_ No	
Indicate database that Apps will run on:	Oracle		
Indicate CSI for existing prerequisite database and tools:			

Options not requiring HQAPP, Tier 1, or Tier 2 Approval	
(1)	
(2)	
(3)	
(4)	

Internal Administrative Information	
Applications Sales Manager	Richard Bedford
Technology Sales Manager	Kevin Osborne
Account Manager	
iSD Rep	Ken Kaufman
Education Sales Rep	Chris Macrorie
Support Renewals Rep	
Premium Support Rep	
Is there a teaming agreement?	____Yes (if yes, list all appropriate reps) _x_ No
Requester:	Name: __Roger Turnham_____ Business Telephone: ___972.501.3718_____ Cell Phone: 972.342.7721